

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF BELFRY)	CASE NO. 89-068-G
GAS, INC.)	

O R D E R

On September 25, 1989, the Commission issued its Order in Case No. 89-068 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On December 27, 1989, Belfry Gas, Inc. ("Belfry") notified the Commission that its wholesale cost of gas was increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective January 1, 1990, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") clause on file with this Commission.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

(1) Belfry's notice of December 27, 1989 set out a wholesale increase in price from its supplier in the amount of \$11,117 or 14.67 cents per Mcf.

(2) Transmission applied with the Federal Energy Regulatory Commission for increased rates to become effective January 1, 1990. Belfry requested a waiver of the 30-day filing requirement. Pursuant to KRS 278.180, upon Belfry's showing of good cause, Belfry's effective date for the increase should be 20 days from the date of filing or January 16, 1990. Transmission's rates are subject to refund; therefore, Belfry's rates should be subject to refund.

(3) Belfry's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 89-068 dated September 25, 1989 is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after January 16, 1990, subject to refund.

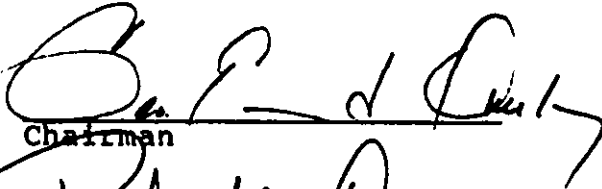
IT IS THEREFORE ORDERED that:

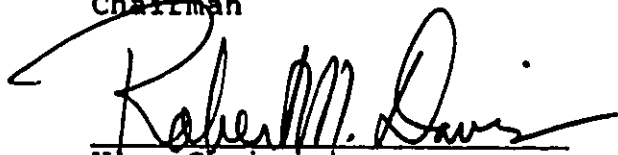
(1) The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after January 16, 1990, subject to refund.

(2) Within 30 days of the date of this Order, Belfry shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 16th day of January, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION
IN CASE NO. 89-068-G DATED 1/16/90

The following rates are prescribed for the customers served by Belfry Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES: Monthly

First 1,000 cu. ft.	\$8.3939 Minimum Bill
Over 1,000 cu. ft.	6.6039 Per 1,000 Cu. Ft.

The base rate for the future application of the purchased gas adjustment clause of Belfry Gas, Inc. shall be:

Commodity

Columbia Gas Transmission Corporation	\$4.3476 per Mcf
---------------------------------------	------------------

A surcharge in the amount of \$3.24 per month shall be applied to each customer served for a period of 5 years.